

**Brooklyn Borough
President
Recommendation**



CITY PLANNING COMMISSION
22 Reade Street, New York, NY 10007
FAX # (212) 720-3356

INSTRUCTIONS

1. Return this completed form with any attachments to the Calendar Information Office, City Planning Commission, Room 2E at the above address.

2. Send one copy with any attachments to the applicant's representatives as indicated on the Notice of Certification.

APPLICATION #: 090444 ZMK – 090445 ZSK – 090446 HAK

Navy Green

In the matter of applications submitted by the New York City Department of Housing Preservation and Development pursuant to: a.) Sections 197-c and 201 of the New York City Charter for an amendment of the Zoning Map changing from an M1-2 District to an R8 District and establishing within the proposed R8 District a C2-4 District property bounded by Flushing Avenue, Vanderbilt Avenue, a line perpendicular to the westerly street line of Vanderbilt Avenue distant 85 feet northerly from the point of intersection of the westerly street line of Vanderbilt Avenue and northerly street line of Park Avenue and Clermont Avenue, and the grant of a special permit pursuant to Section 78-312(d) of the Zoning Resolution to modify the height and setback requirements of Section 23-632; and, b.) Article 16 of the General Municipal Law of New York State for the designation of property located at 136-50 Flushing Avenue as an Urban Development Action Area, an Urban Development Action Area Project for such area, and pursuant to Section 197-c of the New York City Charter for the disposition of such property to a developer to be selected by HPD to facilitate the development of a mixed-use development, tentatively known as Navy Green, with approximately 455 residential units, commercial and community facility space.

COMMUNITY DISTRICT NO. 2

BOROUGH OF BROOKLYN

RECOMMENDATION

APPROVE
 APPROVE WITH
MODIFICATIONS/CONDITIONS

DISAPPROVE
 DISAPPROVE WITH
MODIFICATIONS/CONDITIONS

BOROUGH PRESIDENT

July 17, 2009

DATE

**RECOMMENDATION FOR THE PROPOSED
ZONING MAP CHANGE, LAND DISPOSITION OF
CITY-OWNED PROPERTY FOR
RESIDENTIAL DEVELOPMENT
090444 ZMK – 090445 ZSK – 090446 HAK**

CONSIDERATION

Dunn Development and L&M Development Partners (Navy Green) are seeking to acquire city-owned land and change the existing zoning from industrial use to one that will allow for residential, commercial and community facility use. Community Board 2 approved these applications with the condition that accessory parking be included in the project.

The borough president supports developments that seek to increase the supply of housing for Brooklyn residents, especially when such projects result in affordable housing. The Navy Green proposal calls for 455 housing units. Ninety-five of these units, representing 21 percent of the entire project, are to be developed by the Pratt Area Community Council (PACC) as a blend of supportive housing (57 units) and low-income housing (38 units) that are expected to remain affordable in perpetuity. Of the remaining 360 units, approximately 80 percent would be affordable, with affordability commitments expiring after 30 years in some buildings and 50 years in the building being constructed in the first phase. The borough president is aware that there is no guarantee that, beyond the funding commitment dates, these units would remain affordable. For city-owned lots, it is the policy of the borough president to seek at least 50 percent of the generated units to be permanently affordable.

The issue of creating affordable housing, and maintaining our affordable housing stock, continues to be one of the most pressing demands for land use development in New York City. There has been a trend of: rent stabilized units becoming deregulated; landlords with Section-8 buildings deciding not to renew; and, buildings with HUD financial backing defaulting, resulting in deregulation. Based on recent actions and projections of condo and co-ops within the Mitchell-Lama programs seeking dissolution, the next few years will see the loss of almost two-thirds of its affordable housing stock to privatization. Additionally, rental vacancy decontrol has systemically reduced the stock of affordable rent stabilized housing.

These losses have occurred while the demand for affordable housing increases. The city has experienced a tightening of the rental market with the vacancy rate dropping between 2005 and 2008 from 2.78 percent to 2.34 percent in Brooklyn. This is a vacancy level far below the national average which exceeds about 10 percent. All of this is happening while the City is running out of sites to facilitate the development of affordable housing.

The borough president believes that without being pro-active in developing and sustaining low-moderate- and middle-income housing, the result will be a city of the very poor and the very affluent. In terms of preserving units, the City should strengthen its affordable housing initiatives including; supporting and expanding the mark up to market program, which encourages owners to remain and participate in the project-based Section-8 program; and, work with Mitchell-Lama developments to seek solutions that are more favorable than dissolution.

For new affordable developments on city-owned sites, a key concern is the number of years these homes can be kept part of the city's affordable housing stock. With the city's

shrinking resources (both land and revenue) for building new affordable housing, the impetus has got to be on ensuring that obligations are put in place so that the majority of these homes remain as affordable options for the city's residents. Therefore, it is important as a policy for the City, to take steps to minimize the loss of affordable housing on sites developed on city-owned property. The borough president believes that it is appropriate policy to require new developments to include affordable forever units in their plans.

The borough president commends the development team in its plans to provide more affordable housing at the outset of the development than what was called for in the City's Request for Proposals. Of the 84 percent total affordability proposed for the project, merely 21 percent of the units are virtually guaranteed to be "affordable forever," meaning that ultimately these buildings are at risk of seeing their number of affordable housing units dwindle after certain developer obligations are met. If this were to occur then it would become a situation no different from what is happening now – the ongoing hemorrhaging of units from the city's affordable housing stock.

The borough president believes that more can be done with this project to ensure that the maximum number of units can remain affordable in perpetuity. The sale of the city-owned property between HPD and Navy Green is subject to a land disposition agreement (LDA). The borough president believes that the LDA is an effective mechanism to guarantee that the number of units in this project remain affordable. In order to achieve 50 percent permanent affordability, the LDA should require that not less than 228 of the 455 units be permanently affordable.

RECOMMENDATION

Be it resolved that the Brooklyn Borough President, pursuant to section 197-c of the New York City Charter, recommends the approval of these applications by the City Planning Commission and City Council subject to the condition that within the Land Disposition Agreement made between the developer and HPD, a requirement is made that not less than 228 of the 455 units be made permanently affordable.